GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1830
ANSWERED ON:02.08.2001
INSPECTION OF COMPANIES
GANGASANDRA SIDDAPPA BASAVARAJ;Y.S. VIVEKANANDA REDDY

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Department of Company Affairs has ordered the inspection of books of accounts of 17 entities, allegedly involved in recent stock market scam;

(b) if so, the details thereof;

(c) the time by which this inspection is likely to be completed; and

(d) the extent to which these companies have allegedly involved in the recent stock market scam?

Answer

THE MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITELY)

(a), (b), (c) & (d) Yes sir, the Department of Company Affairs has ordered inspection under the provisions of Section 209A of the Companies Act 1956, of the books of accounts and other records of 94 companies belonging to various groups, on the basis of SEBI`s preliminary investigation report on the recent capital market scam.The inspections are in progress and are likely to be completed shortly. The extent to which these companies are involved in the above scam will be known on receipt of the inspection reports.